

1.94
C 827M

LIBRARY
RECEIVED
★ SEP 15 1936 ★
U. S. Department of Agriculture

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
WASHINGTON, D. C.

September 10, 1936.

MEMORANDUM TO ALL COUNTY AGENTS AND
ASSISTANTS IN COTTON ADJUSTMENT

Plans are now complete to begin the issuance and distribution of checks representing the pro rata share due each producer who participated in the 1935 National Surplus Cotton Tax-Exemption Certificate Pool.

In the course of this distribution it will be necessary to issue approximately 600,000 checks and, naturally, in the preparation of such a large number of checks it will take some time for the operation to be entirely completed as it is our understanding that the Disbursing Office at this time is equipped for the production of only 40,000 checks daily. It is entirely possible that the Disbursing Office may be unable to devote its full check-writing capacity in the issuance of Pool checks.

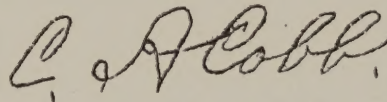
In connection with this distribution we wish to call your attention to the fact that there will be a considerable number of checks issued in very small amounts. This has been occasioned principally by two things (1) small poundage accounts resulting from the practice of transferring from one Pool to another and finally into this Pool, of certificates unsold by previous Pools; (2) within the scope of the Regulations no minimum was placed on the amount of certificates which might be pooled prior to the closing date of the Pool for surrenders, and producers, anticipating the repeal of the Bankhead Act, showed a tendency to pool all available surplus certificates, regardless of poundage totals.

Because of conditions as revealed in item 2 above, the Pool eventually received a supply of certificates far in excess of the current demand, and this, along with the repeal of the Bankhead Act before all cotton was tagged, resulted in the sale of only a comparatively small percentage of the total amount of certificates pooled.

Heretofore, upon liquidation of the Certificate Pools, in those cases where producers did not transfer their unsold equity into a succeeding Pool, the practice was to issue to such producers new certificates representing their unsold poundage. In view of the fact that

the Act has been repealed, and that there is no further use for these certificates, no steps will be taken toward the issuance and return of the unsold poundage from this Pool. However, there will be maintained in the files of the Department of Agriculture a complete record which will reveal the poundage remaining unsold on the part of any producer's account.

Very truly yours,

A handwritten signature in dark ink, appearing to read "C. A. Cobb". The signature is fluid and cursive, with the first letters of each word being capitalized and prominent.

C. A. Cobb,
Director, Division of Cotton.

